

SENATE BILL 1601

By Marrero

AN ACT to amend Tennessee Code Annotated, Title 49,
Chapter 3, Part 3, relative to funding of special
school districts.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 3, Part 3, is amended by
adding the following language as a new, appropriately designated section.

49-3-3___. Any city that provides funding to a special school district, the borders
of which are contiguous with the borders of the city, may provide such funding through a
contract with the school district that provides that one-half ($\frac{1}{2}$) of the funds shall be used
for the operation of the school system and one-half ($\frac{1}{2}$) of the funds shall be used for the
issuance of bonds. Proceeds from the bond issue shall be used only for maintenance of
or construction at schools in existence in the district at the time of the issuance of the
bonds.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring
it.